

STATEMENT

AMERICAN PROPERTY CASUALTY INSURANCE ASSOCIATION (APCIA)

H.B. No. 5952 – AN ACT ELIMINATING UNDUE DELAY IN THE PAYMENT OF WORKERS' COMPENSATION AWARDS

LABOR AND PUBLIC EMPLOYEES COMMITTEE

February 18, 2021

The American Property Casualty Insurance Association (APCIA)¹ appreciates the opportunity to comment on House Bill No. 5952, An Act Eliminating Undue Delay in the Payment of Workers Compensation Awards. With members comprising nearly 60 percent of the U.S. property casualty insurance market, APCIA represents the broadest cross-section of home, auto, and business insurers of any national trade association.

APCIA shares the goal of this bill to ensure that workers compensation cases are handled expeditiously and without undue delay. However, APCIA would submit that the current system is working and that there are a few instances where undue delay is an issue. Data from the Workers Compensation Commission indicates that the issue of undue delay was noticed in only 2.2% of the hearings that were held in 2019. This data is not indicative of a system which is plagued by problems related to undue delay and APCIA would submit that any consideration of this issue should be governed by the data rather than by anecdotes or hypotheticals.

There are a number of effective penalties already in place which may be imposed in the comparatively few instances of undue delay. In addition to monetary penalties for instances of undue delay, the Workers Compensation Commissioner is also authorized to award reasonable attorney's fees and interest at a rate of twelve percent (C.G.S. Section 31-300). The current penalty provisions have proven to be effective in minimizing instances of undue delay and adding an additional \$250 per day penalty is neither necessary nor has it been demonstrated to be appropriate.

For the foregoing reasons, APCIA urges your Committee NOT to advance this bill.

¹ Effective January 1, 2019, the American Insurance Association (AIA) and the Property Casualty Insurers Association of America (PCIAA) merged to form the American Property Casualty Insurance Association (APCIA). Representing nearly 60 percent of the U.S. property casualty insurance market, APCIA promotes and protects the viability of private competition for the benefit of consumers and insurers. APCIA represents the broadest cross-section of home, auto, and business insurers of any national trade association. APCIA members represent all sizes, structures, and regions, which protect families, communities, and businesses in the U.S. and across the globe.